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Before the
Federal Communications Commission
Washington, D.C. 20554

In the Matter of	)	
	)	
Defining Primary Lines	)	CC Docket No. 97-181

REPLY COMMENTS
OF THE
UNITED STATES TELEPHONE ASSOCIATION

The United States Telephone Association (USTA) respectfully submits its reply to the comments filed September 25, 1997 in the above-referenced proceeding.

In its comments, USTA urged the Commission not to require self-certification of primary residential lines by customers, as such a requirement would be administratively burdensome and extremely costly to implement. USTA estimated that it would cost as much as $80 million, assuming an embedded base of approximately 100 million residence lines, for price cap LECs to individually contact each non-primary customer to obtain the necessary information. Such an undertaking could not be completed by January 1, 1998. USTA also warned that such an approach would facilitate gaming and result in customer confusion.

USTA recommended that the Commission require price cap LECs to identify primary residential lines on the basis of the billing account at the same serving address. Each current residential account would be designated a primary line. This method relies on accurate, historical data which is currently maintained, thus reducing the administrative burden and potential costs. This method preserves customer privacy and reduces customer confusion.

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More importantly, the use of billing accounts will facilitate efforts to verify line counts, thus eliminating the need for additional audits, models and enforcement mechanisms proposed by the Commission. Such proposals will only add to the administrative burden and cost.

Likewise, USTA urges the Commission to reject MCI's suggestions regarding the level of billing detail which the price cap LECs should be required to provide, as these items will only increase administrative costs.[1] Given the different carrier billing systems, such detail may not be uniformly available in all systems. The price cap LECs should be permitted to make the business decisions necessary to ensure that the IXCs are paying the applicable charges required by the Commission without incurring unnecessary administrative costs.

In addition, the Hatfield Model, sponsored by MCI, is completely inappropriate for use as a means to verify line counts.[2] None of the records in the Hatfield Model are collected on an account basis or even on an individual premises basis. As MCI itself points out, earlier releases of the Hatfield Model should not be used to verify or audit primary residential line counts.[3] Even the revisions described by MCI which are currently being undertaken to improve the Hatfield Model will not remedy the problem that this is a hypothetical model which cannot be used to verify actual data.

Finally, there is no need for the Commission to adopt additional enforcement mechanisms

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[1]MCI at 10.

[2]*Id.* at 11.

[3]*Id.* at 12.

as suggested by MCI.[4] The Commission has sufficient authority to conduct audits to verify line counts. Again, MCI advocates the imposition of excessive administrative burdens, such as requiring incumbent LECs to file quarterly, certified reports of the number of primary and secondary lines. In a competitive environment, the reporting of such information would place the price cap LECs at a serious disadvantage and should not be permitted. MCI provides no evidence that any perceived benefit in filing such reports would ever outweigh the burden of providing them. Further, since, non-price cap LECs do not apply a PICC there is no reason for such companies to be subject to MCI's added regulatory burdens.

The Commission has sufficient authority to enforce its access charge rules. Rather than perpetuate the current regulatory environment in which heavily regulated incumbent LECs are forced to compete with non-regulated carriers thereby providing those non-regulated carriers a tremendous advantage in the marketplace, the Commission should be seeking a more even-handed approach. MCI's self-serving attempts to perpetuate this outdated regulatory model, which is inconsistent with the Telecommunications Act of 1996, should be dismissed.

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[4] *Id.* at 15.

Respectfully submitted,

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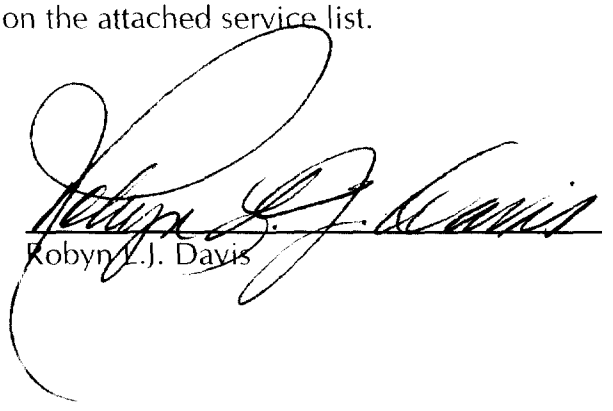
October 9, 1997

CERTIFICATE OF SERVICE

I, Robyn L.J. Davis, do certify that on October 9, 1997 the Reply Comments of the United States Telephone Association were either hand-delivered, or deposited in the U.S. Mail, first-class, postage prepaid to the persons on the attached service list.



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